

CHAPTER 157**(HB 676)**

AN ACT relating to classic motor vehicle project titles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. KRS 186A.510 is amended to read as follows:

As used in KRS 186A.500 to 186A.550, unless the context otherwise requires:

- (1) "Brand" means a designation that is affixed as required by this chapter, or that has previously been affixed, to a motor vehicle title that establishes a portion of the history of the motor vehicle and that shall be fixed to all subsequently issued titles for that vehicle;
- (2) ***"Classic motor vehicle project" means a motor vehicle that is:***
 - (a) ***At least twenty-five (25) years old;***
 - (b) ***Not in road worthy condition; and***
 - (c) ***Either currently in this state and not titled or being brought into this state with a regular title from another state that does not denote it as "salvage," "junk," "rebuilt," or any similar designation;***
- (3) "Dealer" means a person or business as defined in KRS 190.010 who sells or offers for sale a motor vehicle;
- ~~(4)(3)~~ "Junk vehicle" means a vehicle which meets the description set forth in KRS 186A.295(1)(a);
- ~~(5)(4)~~ "Motor vehicle" means a motor vehicle as defined in KRS 186.010(8)(a) and (b);
- ~~(6)(5)~~ "Owner" means a person who holds the legal title of a vehicle or a person who pursuant to a bona fide sale has received physical possession of the vehicle subject to any applicable security interest;
- ~~(7)(6)~~ "Rebuilt vehicle" means a vehicle that has been repaired to a road worthy condition after having been registered as a salvage vehicle pursuant to KRS 186A.520, or a similar salvage designation from another licensing jurisdiction;~~and~~
- (8) ***"Road worthy condition" means a vehicle in a safe condition to operate on the highway and capable of transporting persons or property that complies fully with the provisions of KRS Chapter 189 pertaining to vehicle equipment; and***
- ~~(9)(7)~~ "Water damage" means damage to a motor vehicle caused by submerging or partially submerging the vehicle in water to the extent that the vehicle was submerged or partially submerged at any water level above the dashboard of the vehicle, regardless of the actual dollar amount of the damage.

➔SECTION 2. A NEW SECTION OF KRS 186A.500 TO 186A.550 IS CREATED TO READ AS FOLLOWS:

- (1) ***The owner of a motor vehicle that meets the definition of a classic motor vehicle project may apply for a classic motor vehicle project certificate of title, which shall:***
 - (a) ***Bear on the face of the title the words "CLASSIC MOTOR VEHICLE PROJECT--NOT FOR ROAD USE"; and***
 - (b) ***Not bear the designation of "salvage," "junk," "rebuilt," or any other similar brand.***
- (2) ***The owner of a motor vehicle that meets the definition of a classic motor vehicle project as set forth in Section 1 of this Act, has been issued a classic motor vehicle project certificate of title under subsection (1) of this section, and has been restored to road worthy condition may make application for a new certificate of title pursuant to Section 3 of this Act. The Transportation Cabinet may promulgate administrative regulations pursuant to KRS Chapter 13A governing the form of application.***
- (3) ***Upon receipt of a classic motor vehicle project certificate of title issued pursuant to subsection (1) of this section and proof of passing the inspection required by Section 3 of this Act, the cabinet shall issue a new regular certificate of title with no special brand printed on the face of the title.***

- (4) *The only time a vehicle with a classic motor vehicle project certificate of title may be operated upon the highways of the Commonwealth is when it is in route to or from an inspection by the certified inspector prior to obtaining a certificate of title after having been restored in accordance with Section 3 of this Act.*
- (5) *The Transportation Cabinet shall promulgate administrative regulations pursuant to KRS Chapter 13A, regarding the administration of the classic motor vehicle project certificate of title procedures. The administrative regulations shall include the manner in which classic motor vehicle project titles are differentiated from salvage titles and rebuilt brands. The administrative regulations may include designation of additional brands which provide significant information to the owner.*

➔Section 3. KRS 186A.115 is amended to read as follows:

- (1) Except as otherwise provided in this section, the owner of every vehicle brought into this state and required to be titled in this state shall, before submitting his application for title to the county clerk, have the vehicle together with his application for title and its supporting documents inspected by a certified inspector in the county in which the application for title is to be submitted to the county clerk.
 - (a) The certified inspector shall be certified through the Department of Vehicle Regulation following requirements set forth by the department by regulation and shall be designated by the county sheriff. The certified inspector will be held responsible for all certifications required pursuant to this chapter and will be liable for any and all penalties prescribed in this chapter, and shall be available during regular office hours at any and all offices and branches that issue applications for titles.
 - (b) There shall be a five dollar (\$5) fee for this certification, payable to the sheriff's office, upon completion of certification.
 - (c) There shall be an additional fee of ten dollars (\$10) per trip when it becomes necessary for the certified inspector to travel to the site of the vehicle rather than bringing the vehicle to the sheriff's inspection area.
 - (d) An inspection conducted in one (1) county within the Commonwealth of Kentucky under this subsection, and the fees paid for that inspection under this subsection, shall be honored by the certified inspector, sheriff, and county clerk in all other counties within this state. A second inspection shall not be required and additional fees shall not be required.
- (2) The following vehicles are excluded from the requirement of inspection by a certified inspector prior to titling in this state:
 - (a) New motor vehicles sold by a dealer licensed in this state;
 - (b) Vehicles required to be registered in this state by reason of lack of a reciprocity agreement with another state and for which a nonnegotiable registration document is to be issued;
 - (c) Motor vehicles operated by a motor carrier under a nonnegotiable certificate or permit issued by the Department of Vehicle Regulation;
 - (d) Motor vehicles owned by servicemen or servicewomen who are residents of Kentucky stationed outside of Kentucky may be inspected by the post provost or similar officer of the camp, post, or station. The post provost or similar officer shall submit an affidavit stating the name of the owner, the identification or serial number, the make, body style, current license or title number, if any, and state in which currently registered or titled, if any, of the motor vehicle;
 - (e) Motor vehicles purchased in another state by persons who are residents of Kentucky but are temporarily residing out of state for at least thirty (30) days, but not longer than nine (9) months, may after the purchase of the vehicle be inspected by the state police, a local law enforcement agency, or the vehicle inspection program of another state. If an inspector in another state examines a vehicle under this paragraph, the purchaser may request the inspector to complete an affidavit stating the name of the owner, the vehicle identification number, the vehicle make and body style, the current state of registration, if any, and the current vehicle license or title number, if any. The Transportation Cabinet shall create an affidavit form containing at a minimum this information and shall post the form on the cabinet's Internet Web site. A person using an inspector in another state under this paragraph shall comply with all requirements of that state's inspection program, including payment of fees charged in that state. A person registering a motor vehicle for the first time in Kentucky under this paragraph shall

transmit the application for registration, all supporting documentation, and payment for registration and usage tax to the county clerk of the county in which the person resides, and upon receipt of the appropriate documentation, the county clerk shall register the vehicle; and

- (f) Motor vehicles no longer located in Kentucky but which require inspection in order to issue a corrected Kentucky title due to error in vehicle identification or serial number may be inspected by an inspector authorized to inspect vehicle identification or serial number by the laws of the state or foreign country where application for a new title has been submitted.
- (3) When presented to a certified inspector for inspection or to a county clerk for processing, the owner's application for a first certificate of registration or title in his name shall be accompanied by proof of insurance in compliance with KRS 304.39-080 and one (1) of the following documents as applicable:
- (a) If the vehicle is a new vehicle not previously registered in this state, the properly assigned manufacturer's statement of origin for the vehicle for which registration or title is sought;
 - (b) If the vehicle was last registered in this state, and is a vehicle for which a title is not required in this state, a certificate of registration, or if the vehicle is one for which a certificate of title is required in this state, a properly assigned certificate of title;
 - (c) If the vehicle was last previously titled in another state, a properly assigned certificate of title;
 - (d) If the application refers to a vehicle previously registered in another country, the documents of that country establishing ownership of the vehicle;
 - (e) If the application refers to a vehicle last previously registered in another country by a person on active duty in the Armed Forces of the United States, the county clerk may accept on behalf of the Department of Vehicle Regulation evidence of ownership provided the applicant by the United States Department of Defense; and
 - (f) Except as provided in KRS 186A.072(2)(c) governing custom-built motorcycles, if the application relates to a vehicle which has been specially constructed or reconstructed, that fact shall be stated in the application, and the application shall be accompanied by the documents specified by administrative regulations of the Department of Vehicle Regulation.
- (4) When requested to inspect a vehicle pursuant to this section, the certified inspector shall personally and physically inspect the vehicle, when registration or title is sought in this state, on the following points:
- (a) He shall ensure that the application is legible and properly executed to the extent required at the time of execution;
 - (b) He shall compare the vehicle identification number as appearing on both the vehicle identification number plate, and the federal safety standards label of the vehicle which is sought to be registered or titled, with the corresponding number inscribed on the application, and its supporting documentation, and ensure that the vehicle identification number appearing at each described location appears legitimate and that they are consistent with each other;
 - (c) He shall examine the primary odometer of the vehicle and legibly record the reading in the space provided in the inspection section of the application; and
 - (d) After exercising due diligence in inspecting the vehicle, the application, and its supporting documentation, and finding that they appear to be in order, the certified inspector shall execute the preprinted certificate of inspection according to its terms by printing in the spaces provided his first name, middle initial, and last name, and his title; the name of the county in which he serves; and the telephone number including the telephone area code of his agency, and sign in ink his signature in the space provided, and print the month, day, and year in which his inspection was made, certifying under penalty of forgery in the second degree the character, accuracy, and date of his inspection.
- (5) The certified inspector shall refrain from executing the certificate of inspection if:
- (a) He has not personally and physically inspected the vehicle in accordance with this section;
 - (b) He has reason to believe that the vehicle displays an unlawfully altered vehicle identification number;

- (c) The application and any of its copies are illegible or otherwise improperly executed, or contain information reasonably believed to be inaccurate or fraudulent;
 - (d) The documentation required in support of any application is not present, or not consistent with the vehicle and the owner's application or appears fraudulent; or
 - (e) He has probable cause to believe the vehicle is stolen.
- (6) (a) Inspections on motor vehicles that meet the definition of a "historic vehicle" under KRS 186.043(2) and are brought into this state shall be limited to verification of the vehicle identification number with supporting documentation for purposes of titling.
- (b) *Inspections on motor vehicles that meet the definition of a classic motor vehicle project as set forth in Section 1 of this Act shall be limited to verification of the vehicle identification number with supporting documentation for purposes of issuing a classic motor vehicle project certificate of title under subsection (1) of Section 2 of this Act.*

Signed by Governor April 24, 2008.